



State of California
Arnold Schwarzenegger, Governor
Business, Transportation and Housing Agency

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July 23, 2004

VIA ELECTRONIC AND U.S. MAIL

Thomas C. Geiser
Executive Vice President/General Counsel/Secretary
Blue Cross of California
1 WellPoint Way
Thousand Oaks, CA 91362

RE: Blue Cross of California Notice of Material Modification; Change in Control of Ultimate Parent Company; DMHC #20049347 as amended; S-04-1287

Dear Mr. Geiser:

Attached please find an Order of Approval of the Notice of Material Modification ("Notice") filed by Blue Cross of California ("Blue Cross" or the "Plan") on March 1, 2004, as amended. The Notice proposes a change of control arising from the merger of the ultimate parent company of Blue Cross, WellPoint Health Networks, Inc., with and into an unaffiliated entity, Anthem Holding Corp., an affiliate of Anthem, Inc.

This order is conditioned upon the faithful execution of the attached undertakings executed by Blue Cross, and that the merger of WellPoint into a subsidiary of Anthem as filed in the Notice as amended is effectuated not later than midnight of November 30, 2004.

If you have any questions, please contact me.

Sincerely,

/s/

LUCINDA A. EHNES
Director
Department of Managed Health Care

cc: G. Lewis Chartrand, Jr.
William Barcellona
Mark Wright
Rick Martin
Gil Riojas